## LEGAL NOTICE

## STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room 1<sup>st</sup> Floor, LaSalle Building, 617 North 3<sup>rd</sup> Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **JUNE 22**, **2004**, upon the application of **KCS RESOURCES**, **INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Hosston Zone, Reservoir A; the Cotton Valley Formation, Reservoir A; and the Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana.

- 1. To authorize KCS Resources, Inc. to drill, complete and utilize three additional alternate unit wells on HOSS RA SU14; two additional alternate unit wells on CV RA SU14, LCV RA SUK, HOSS RA SU15, CV RA SU15, LCV RA SUJ, HOSS RA SU16, CV RA SU16, LCV RA SUI, HOSS RA SU23, CV RA SU23, LCV RA SUE, HOSS RA SU22, CV RA SU22, LCV RA SUF, HOSS RA SU34, CV RA SU34 and LCV RA SUC; and one additional alternate unit well on HOSS RA SU21, CV RA SU21, LCV RA SUG, HOSS RA SU33, CV RA SU33 and LCV RA SUD, at the locations shown on the plats submitted with the application.
- 2. To approve exceptions to the well location provisions of applicable Office of Conservation Orders as to the Hosston Zone, Reservoir A; the Cotton Valley Zone, Reservoir A; and the Lower Cotton Valley Zone, Reservoir A, for any of the proposed alternate unit wells, the locations of which do not comply with the well location provisions of the orders which created such units.
- 3. To establish that the proposed alternate unit wells are necessary to recover hydrocarbons from each of the units on which they are to be drilled that cannot be produced effectively and efficiently from any other well located on these units.
- 4. To authorize the unit allowable for these Hosston Zone, Reservoir A; Cotton valley Formation, Reservoir A; and Lower Cotton Valley Zone, Reservoir A units to be recovered from any of the wells located on the units, at the discretion of the operator.
- 5. To consider such other matters as may be pertinent.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo, Bossier, and Webster Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in subsequent Orders of the 361-A Series of Orders.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Bossier, and Webster Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B Series of Orders.

The Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Caddo, Bossier, and Webster Parishes, Louisiana, was defined in Office of Conservation Order No. 361-E, effective July 16, 1996.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

- 13 - Page 2

## ELM GROVE FIELD 04-617 thru 04-640

Baton Rouge, La 6/8/04;6/11/04 S dnp

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.